GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3086
ANSWERED ON:08.12.2000
LIFTING OF BAN ON IMPORT OF CONSUMER ITEMS
MANAIYLAL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether according to WTO agreement, Government have to lift ban from April 1, 2001 on import of consumer items as well;

(b) if so, the likely impact on our economy and domestic industry; and

(c) the steps taken to maintain our economy, if there is any adverse impact?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI OMAR ABDULLAH)
(a) to (c) India has been following a consistent policy for gradual removal of restrictions on imports since 1991. Tariff line- wise import policy was first announced on 31.3.1996. As on that date, import of 6161tariff lines (at 10 digit level) out of the total number of 10202 was free. Import restrictions on 466 tariff lines were removed during the period 1.4.96 to 31.3.97. Further 391 tariff lines (at 8 digit level) were freed during the period 1.4.97 to 13.4.98 and 894 tariff lines (at 8 digit level) were freed on 1.4.99. Import restrictions on 714 tariff lines were removed on 31.3.2000. Import restriction on 715 tariff lines are to be removed by 31.03.2000.The items on which import restrictions have been removed/ are to be removed include consumer goods also. It is seen from the import data for the period 1993-94 to 1999-2000, that freeing of imports during this period has not had any significant impact on the average rate of growth of imports. However, to provide protection to the domestic producers the Government can, if the situation so warrants, utilize the mechanism of raising the applied tariffs within the bound rates, if such a gap exists and take measures such as Anti-Dumping Action and Safeguard actions which are permissible under the WTO Agreements.
The imports are being closely monitored and the Government are determined to ensure through the appropriate use of the above mechanisms that imports do not cause any serious injury to the domestic producers. Some of the recent measures towards that end are as follows:-

(i) Import duties on a number of items have been increased, for example, the duty on aerosol has been raised from 35% to 100%, on poultry products from 35% to 100%, on wheat from 0% to 50%, on skimmed milk powder from 0% to 60%, on apple from 35% to 50%, and on rice from 0% to 80%.

(ii) Suo-motu anti-dumping investigations have been initiated in respect of import of battery cells, battery operated toys and sports shoes from China.

(iii) Import of all packaged commodities have been made subject to compliance of all the conditions of the Standards of Weights and Measures (Packaged Commodity) Order, 1977, as applicable on domestic producers.

(iv) Import of 131 products has been made subject to compliance of the mandatory Indian quality standards as applicable to domestic goods. For compliance of this requirement all manufacturers/ exporters of these products to India shall be required to register themselves with Bureau of Indian Standards (BIS). The list of 131 products includes various food preservatives and additives, milk powder, infant milk food, certain kinds of cement, household and similar electrical appliances, gas cylinders and multipurpose dry batteries.